

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW MEXICO

In re:

**LAS UVAS VALLEY DAIRIES,**  
A New Mexico general partnership

Debtor

Case No. **17-12356-t11**

**MOTION TO SELL REAL PROPERTY**  
**FREE AND CLEAR OF LIENS**

The debtor, through Askew & Mazel, LLC (Daniel J. Behles, of Counsel), its attorneys, hereby moves the Court for an order authorizing it to sell real property assets outside the ordinary course of business free and clear of liens, and states:

1. This Motion is brought pursuant to 11 USC §363(f).
2. The debtor is the owner of contiguous parcels of real property near Columbus, Luna County, New Mexico totaling approximately 4,2099 acres, collectively known as the “Columbus Farm”. A complete legal description of the Coulmbus Farm is attached to the Purchase Agreement, Exhibit A hereto.
3. Debtor has been actively marketing the Columbus Farm through Caprock Farm & Ranch Realty, LLC, whose employment has been approved by the Bankruptcy Court.
4. Caprock has obtained an offer to purchase the Columbus Farm plus two pieces of equipment for a cash purchase price of \$8,050,000. The debtor has accepted the offer, subject to Bankruptcy Court approval. A true copy of the purchase agreement is attached hereto as Exhibit A.
5. Metlife is the only known creditor holding a first lien on the Columbus Farm, along with other collateral, and Farm Credit/PCA is the only known creditor holding a first lien on the equipment to be sold, along with other collateral. The total of

the liens held by the secured creditors exceeds the purchase price for this portion of their collateral.

6. The proposed purchase price is the highest and best offer which could be obtained after reasonable exposure of the property to the market.

7. The Columbus Farm is not necessary for the debtor's continued dairy operations and the sale of the Columbus Farm would reduce the debt owed to secured creditors and would reduce the interest costs accruing on their debts.

8. It would be in the best interests of all creditors to allow the sale to proceed so that the secured claims of MetLife and Farm Credit/PCA may be paid in part, to stop the accrual of additional interest.

9. From the proceeds of the sale the debtor proposes to pay the costs and expenses of sale, including title policy and closing fees, the commission due pursuant to the order employing Caprock Farm and Ranch Realty, LLC as real estate broker, any real property taxes due, and any other necessary costs and expenses of closing the sale.

10. From the proceeds of sale the debtor proposes to pay MetLife \$8,000,000, less a pro-rated portion of the costs and expenses of sale, and to pay to Farm Credit/PCA \$50,000, less a pro-rated portion of the costs and expenses of sale.

11. In the event there is a dispute among the creditors as to their respective entitlement to the proceeds, the property should be transferred to the Buyer free and clear of all liens and encumbrances, and the liens of the creditors should be transferred to the proceeds with the same validity and priority as they attached to the property being sold.

WHEREFORE the debtor requests the Order of this Court authorizing a) the sale of the Columbus Farm free and clear of all liens and encumbrances upon the terms and

conditions set forth herein and pursuant to the Purchase Agreement attached hereto; b) the payment of taxes, commissions and costs of sale; c) the payment of the proceeds to MetLife and Farm Credit/PCA, or, in the alternative, the transfer of their liens to the net proceeds of sale with the same priority and validity as they attached to the property; d) such other relief as may be appropriate.

Respectfully Submitted:

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Filed electronically  
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I certify that a true copy of this pleading was served upon all counsel of record via the Court's CMECF electronic filing and noticing system on the date that this Motion was filed with the Court.

/S/ Daniel J. Behles